

6 JUN 1977

*Good Summary*  
*Shut*  
*any*

Staff Summary

Subject: Evaluation of OWI Contractor Computer Facility

Action Requested: Director's signature

STATINTL

Background: The Office of Weapons Intelligence has had a long term contract with [REDACTED] for the analysis of telemetry data. As part of this [REDACTED] is renting an IBM S/360/65 and peripherals from a third party leasor for \$278,000 per year. The objective which spawned the OWI request is to reduce this cost.

Staff Position: OWI would like [REDACTED] GFE S/360/65 at little or no cost to OWI. This would be an attractive alternative for OWI and ODP if ODP could release a 360/65. This may not be possible if ODP does not receive requested funds for FY-78. A study of the alternatives would benefit both OWI and ODP. For OWI it would show areas for cost reduction, for ODP it would provide a good case for releasing a 360/65 per the FY-78 plan to acquire a fourth machine.  
\* And, it would set a precedent in having ODP analyze a contractor facility.

Recommendation: Release memo committing ODP to support the [REDACTED] and indicating ODP's willingness to fill this consultant role in the future.

STATINTL

\* We did this at [REDACTED] about the 1968 time frame.